

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

IN THE MATTER OF:	)	
	)	
Steel Dynamics, Inc.	)	NOTICE OF VIOLATION
Columbia City, Indiana	)	
	)	EPA-5-01-05-IN
Proceedings Pursuant to	)	
Section 113(a)(1) of the	)	
Clean Air Act,	)	
42 U.S.C. § 7413(a)(1)	)	
_____	)	

**NOTICE OF VIOLATION**

The Administrator of the United States Environmental Protection Agency (U.S. EPA), is issuing this Notice of Violation under Section 113(a)(1) of the Clean Air Act (Act). U.S. EPA finds that Steel Dynamics, Inc. (SDI) is violating the Indiana State Implementation Plan (SIP) rules at 40 C.F.R. § 52.21 which govern the prevention of significant deterioration (PSD) of air quality.

**Statutory and Regulatory Background**

**Prevention of Significant Deterioration**

1. On June 19, 1978, U.S. EPA promulgated the prevention of significant deterioration of air quality standards pursuant to Subtitle I, Part C of the Act. These regulations are codified at 40 C.F.R. § 52.21 (43 Fed. Reg. 26403). These regulations apply to any major stationary source or major modification that would be constructed in an area designated as attainment or unclassifiable under the Act.
2. On August 7, 1980, U.S. EPA incorporated the provisions of 40 C.F.R. § 52.21(b) through (w) into the Indiana SIP. 45 Fed. Reg. 52741, as amended at 53 Fed. Reg. 18985, codified at 40 C.F.R. § 52.793.
3. 40 C.F.R. § 52.21(b)(1)(i)(b) defines a "major stationary source" as any source which emits or has the potential to emit 250 tons per year or more of any pollutant subject to regulation under the Act.

4. 40 C.F.R. § 52.21(i)(1) prohibits the actual construction of a major stationary source or modification without a permit which states that the major stationary source or modification would meet the requirements of 40 C.F.R. § 52.21(j) through (r).
5. 40 C.F.R. § 52.21(b)(11) defines "begin actual construction," in general, as the initiation of physical onsite construction activities on an emissions unit which are of a permanent nature. Such activities include, but are not limited to, installation of building supports and foundations, laying underground pipework, and construction of permanent storage structures.
6. 40 C.F.R. § 52.21(r) states, among other things, that any owner or operator of a source subject to PSD regulations who operates a source or modification without applying for and receiving approval under the PSD regulations is subject to enforcement action.
7. 40 C.F.R. § 52.23 states, among other things, that failure to comply with any provision of 40 C.F.R. Part 52, or with any approved regulatory provision of a SIP, or with any permit condition or permit denial issued pursuant to approved or promulgated regulations for the review of new or modified stationary or indirect sources, shall render the person or governmental entity so failing to comply in violation of a requirement of an applicable implementation plan and subject to enforcement action under section 113 of the Act.

#### **Factual Background**

8. SDI has applied to the Indiana Department of Environmental Management (IDEM) for a PSD permit to construct a structural steel mill located at or about 2601 County Road 700 East, Columbia City (Whitley County), Indiana. Whitley county has been designated an attainment or unclassifiable area under the Act.
9. SDI's proposed structural steel mill is a major stationary source, which has the potential to emit 250

tons per year or more of any pollutant subject to regulation under the Act.

10. On September 18, 2000, and February 12, 2001, representatives from U.S. EPA inspected the Columbia City, Indiana site where SDI is proposing to construct its steel mill. U.S. EPA observed certain activities at the site which indicated that SDI had begun actual construction prior to obtaining an effective PSD permit. These activities included, but were not limited to: (a) SDI had excavated one freshwater lagoon to be used to provide the facility with process water; (b) SDI had excavated two retention ponds as part of the facility's drainage system; (c) SDI had excavated several ditches and installed several culverts as part of the facility's drainage system; (d) SDI had excavated an area of land to be used as a facility basement; (e) SDI had prepared the foundation for the laying of railroad tracks by, among other things, incorporating crushed stone into the soil; (f) SDI had prepared the foundation for at least one building by, among other things, incorporating lime into the soil; and (g) SDI had fabricated building foundational support steel parts and other facility equipment.
11. The above listed activities are permanent in nature, are an integral part to the overall construction project, have significantly altered the site, and were costly. Consequently, these activities are within the meaning of "begin actual construction," as defined at 40 C.F.R. § 52.21 (b) (11).

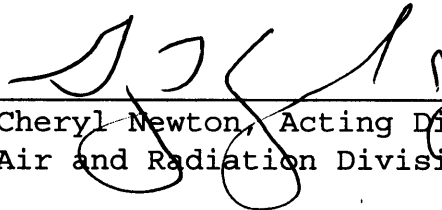
#### **Finding of Violation**

12. SDI has violated 40 C.F.R. § 52.21(i) (1) and the Act by beginning actual construction of a major stationary source of air pollution in an attainment/unclassifiable area without the required PSD permit.

**Finding of Violation**

12. SDI has violated 40 C.F.R. § 52.21(i)(1) and the Act by beginning actual construction of a major stationary source of air pollution in an attainment/unclassifiable area without the required PSD permit.

2/15/01  
Date

 FOR  
Cheryl Newton, Acting Director  
Air and Radiation Division

CERTIFICATE OF MAILING


I, Betty Williams, do hereby certify that a Notice of Violation,  
was issued pursuant to the Clean Air Act, by Certified Mail, Return  
Receipt Requested, to:

Mr. Richard Teets, Jr.  
Vice-President and General Manager  
Structural Steel Division  
Steel Dynamics, Inc.  
2801 County Road 700 East  
Columbia City, Indiana 46725

I also certify that I sent copies of the Notice of Violation by  
first class mail to:

Mr. David McIver, Chief  
Air Section  
Office of Enforcement  
Indiana Department of Environmental Management  
100 North Senate, Room 1001  
Indianapolis, Indiana 46206-6015

on the 16<sup>th</sup> day of February, 2001.

  
Betty Williams, Secretary  
AECAB, (IL/IN)

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